



November 2008

# SCHOOL FINANCE UPDATE

*A Monthly Newsletter Published by the School Finance Division*

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This newsletter is emailed to school districts, county superintendents, county treasurers, and auditors each month. The newsletter is intended to reach all district staff involved in budgeting, accounting, enrollment, special education funding, and federal programs. Please forward it to all interested parties. Got suggestions for items to include here? We'd love to hear from you!

## **Spend OTO Weatherization & Deferred Maintenance Funds by June 30, 2009!**

School districts have until June 30, 2009 to spend the One-Time-Only Weatherization and Deferred Maintenance (OTOWDM) payment received in August 2007. Any unexpended balance must be reverted to the state general fund. Reversion will be based on Trustees Financial Summary expenditures reported in the Miscellaneous Programs Fund (15) with expenditure program code 364 for FY2007, FY2008 and FY2009. Please check to assure all OTOWDM expenditures are coded to expenditure program code 364.

**OPI Contacts:** Rebecca Phillips (406) 444-0783 or [rphillips2@mt.gov](mailto:rphillips2@mt.gov) or Paul Taylor (406) 444-1257 or [ptaylor2@mt.gov](mailto:ptaylor2@mt.gov).

## **Fiscal Closeout for 2007-2008 E-Grant Applications**

Fiscal Closeout for 2007-08 projects ended September 30, 2008 for the grants listed below. In the E-Grants system, please create and submit to OPI a final expenditure report for each program listed below **no later than November 14, 2008**:

ESEA/NCLB Programs  
Title I-A Basic  
Title I-A School wide  
Title II-A Improving Teacher Quality  
Title II-D Enhancing Education through Technology (Ed Tech)  
Title III English Language Acquisition  
Title IV-A Safe and Drug-Free Schools and Communities  
Title V-A Innovative Programs  
Title VI-B Rural Low Income  
Title I-C Regular and Summer Migrant Programs  
Title I - School Improvement

For instructions on completing a final expenditure report, click on "Create an Expense Rep", then click on the blue "Instructions" link on the top right-hand side of the Expenditure Report tab. Basic instructions for completing a final expenditure report are posted at [http://www.opi.mt.gov/pdf/egrants/Training/E-Grants\\_CashRequestExpenditures.pdf](http://www.opi.mt.gov/pdf/egrants/Training/E-Grants_CashRequestExpenditures.pdf).

Unexpended cash must be returned to the OPI after completing the final expenditure report in E-Grants. OPI will reimburse amounts due to a sub-grantee upon receipt of the final expenditure report, provided the report is submitted on or before November 10, 2008. Reimbursements requested on a late final expenditure report (i.e., reports received by the OPI after November 14) will not be paid.

Unobligated funds must be returned to OPI including funds which are eligible for carryover to the next year's project. Please refund whole dollars only, not cents.

Please contact an OPI Program Accountant if you need help creating and completing a final expenditure report in E-Grants. Click the "Contact Us" link found at the bottom of every E-Grants web page for a listing of the program accountant and their contact information.

**OPI Contact:** Kellee English (406) 444-7841 or [kenglish@mt.gov](mailto:kenglish@mt.gov)

### **Payment Reminders**

The K-12 state BASE aid payments for November and December will be made early due to the holidays. The November payment is scheduled for Friday, November 21, 2008. The December payment is scheduled for Friday, December 19, 2008.

Payment types are different for November. In November, school districts receive Guaranteed Tax Base Aid (GTB) in the General Fund, State Block Grants in the General and Transportation Funds and Combined Block Grants in funds designated on FY2009 budgets. Counties will receive Retirement Fund GTB and State Block Grant payments. Claims for Tuition for State Placement are also paid in November.

**OPI Contact:** Kathleen Wanner (406) 444-9852 or [kwanner@mt.gov](mailto:kwanner@mt.gov)

### **Important Transportation Program Deadlines**

By November 10, the county superintendent must electronically approve each bus route (TR-1) submitted by a school district. By mid-November, OPI will electronically notify county superintendents and district clerks of the approved rates for individual and isolated contracts. (See A.R.M. 10.7.101)

**OPI Contact:** Maxine Mougeot (406) 444-3096 or [mmougeot@mt.gov](mailto:mmougeot@mt.gov).

### **New Transportation System Saves Paper**

Title 10, Chapter 7 of the Administrative Rules of Montana (ARM) were recently updated. Schools districts are now required to submit the following forms to OPI electronically via the Transportation System:

- TR-1 Bus Route
- TR-4 Individual Transportation Contract (ITC)
- TR-5 ITC Claim for Reimbursement
- TR-6 Bus Route Claim for Reimbursement
- TR-13 Bus Inspection
- TR-35 Bus Driver Certificate

Please do not send copies of the completed forms to OPI.

The ARMs require school districts to continue to submit paper copies to the county superintendent. School districts are encouraged to keep paper copies of the forms for their records. The updated rules may be accessed at this link:

<http://www.opi.state.mt.us/pdf/arm/07chapter.pdf>

**OPI Contact:** Maxine Mougeot (406) 444-3096 or [mmougeot@mt.gov](mailto:mmougeot@mt.gov)

### **Bus Driver Training Opportunities**

A list of school bus driver training opportunities offered during the 2008-2009 school year is available at this link: <http://www.opi.mt.gov/PUB/PDF/PupilTransport/09TrainingOpp.pdf>

**OPI Contact:** Maxine Mougeot (406) 444-3096 or [mmougeot@mt.gov](mailto:mmougeot@mt.gov)

## **MASBO New Clerk Workshop**

The MASBO New Clerk Workshop will be held in Billings on November 18-20 at the Holiday Inn Grand. Registration and additional information is located at this link:

<http://fs3.formsite.com/masbo/NewClerkWorkshop/index.html>

**For more information, contact Lynda Brannon, MASBO Executive Director (406) 442-5599 or [lbrannon@masbo.com](mailto:lbrannon@masbo.com)**

## **FY2008 Trustees Financial Summary Changes are Due December 10**

OPI encourages school districts and cooperatives to submit material changes to the FY2008 Trustees Financial Summary (TFS) no later than December 10, 2008. A.R.M. 10.10.504(6) limits revisions to: a) coding revisions between revenue and expenditure line items providing no change occurs in the fund balance of the budgeted funds; and b) revisions in the balance sheet accounts provided no change occurs in the fund balance of the budgeted funds.

Revisions to the FY2008 TFS should be submitted to Rebecca Phillips in the School Finance Division by following these procedures:

1. Photocopy the original TFS with amounts to be revised crossed out and the correct amount written above it.
2. When sending balance sheet account revisions, please also send any expenditure and revenue line item changes that correlate with such changes. That is, the fund balance on the balance sheet should equal the ending fund balance shown on the statement of revenues, expenditures and changes in fund balance report after the revisions are made.

TFS revisions may be faxed to (406) 444-0509 or mailed to Rebecca Phillips, P.O. Box 202501, Helena, MT 59620-2501. Please submit revisions by December 10 so that questions or problems related to processing the changes can be addressed before school districts are closed for the holiday break. In compliance with A.R.M. 10.10.504(5), OPI cannot consider revisions to the FY2008 TFS received after December 20, 2008 when calculating amounts used for special education reversion or for federal maintenance of effort requirements.

Note that immaterial line item coding changes or changes that affect fund balance in the budgeted funds for FY2008 must be reported as prior period adjustments in the TFS for the current year (FY2009). The district may need to adopt a budget amendment in the current year to record the prior period adjustment within the budget of a fund.

**OPI Contact: Rebecca Phillips, (406) 444-0783 or [rphillips2@mt.gov](mailto:rphillips2@mt.gov).**

## **Budget Amendments for Unanticipated Enrollment Increases**

Additional state funding is generally available for an enrollment increase that exceeds 6% of the last year's average enrollment. If the October 6, 2008 enrollment count exceeds the enrollment for last year, trustees may want to consider adoption of a budget amendment for an unusual enrollment increase. OPI offers a budget amendment packet to help you with the process, located at <http://www.opi.state.mt.us/PUB/pdf/schoolfinance/forms/2006BAPacket.pdf>

**OPI Contact: Nica Carte (406) 444-4401 or [ncarte@mt.gov](mailto:ncarte@mt.gov)**

## **Interfund Transfers Spreadsheet**

OPI encourages school districts to read 20-9-208, MCA and A.R.M. 10.10.320 when considering transfers between funds. Transfers from the general fund to any other fund and transfers to the general fund from any other fund are prohibited. Transfers from one budgeted fund to another budgeted fund may not be made with funds approved by the voters or with funds raised by a nonvoted levy unless the transfer is within or directly related to the purposes for which the funds were raised. Generally, before a transfer can occur, the trustees must hold a properly noticed hearing to accept public comment on the transfer.

The Interfund Transfers Spreadsheet helps sort out the provisions in state law and administrative rule. It is located on the OPI website at:

[http://www.opi.mt.gov/PUB/pdf/SchoolFinance/Acct/Transfer\\_Matrix.xls](http://www.opi.mt.gov/PUB/pdf/SchoolFinance/Acct/Transfer_Matrix.xls).

**OPI Contact: Denise Ulberg (406) 444-1960 or [dulberg@mt.gov](mailto:dulberg@mt.gov)**

## Useful Links

State Entitlement Payments to Schools:

<http://www.opi.mt.gov/PUB/School%20Finance/Payments/>

School Accounting: <http://www.opi.mt.gov/SchoolFinance/Acct2.html>

Forms and Publications: <http://www.opi.mt.gov/SchoolFinance/Forms2.html>

Pupil Transportation: <http://www.opi.mt.gov/PupilTransport/index.html>

Enrollment and ANB: <http://www.opi.mt.gov/SchoolFinance/Enrollment2.html>

Tuition: <http://www.opi.mt.gov/SchoolFinance/Tuition2.html>

Audit Information: <http://www.opi.mt.gov/SchoolFinance/Audit2.html>

School Finance Calendar: <http://www.opi.mt.gov/calendar/calendar.php?calendar=2>

## School Finance Division Staff

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Have a Very  
Happy  
Thanksgiving  
Holiday ☺



**From your friends in the  
School Finance Division!**